

April 29, 2024

CLERK, U.S. BANKRUPTCY COURT DISTRICT OF OREGON	
MAY 03 2024	
LODGED _____	REC'D _____
PAID _____	DOCKETED _____

Joseph H. Mason  
John "Mike" Mason  
3467 N 3500 E  
Kimberly, Idaho 83341

Sales Order #241487  
Master Account #MO22632  
Serial #40092

Clerk of the Court  
405 E 8<sup>th</sup> Ave #2600  
Eugene, Oregon 97401

Van's Bankruptcy Case No. 23-62260-dwh11

Clerk of the Court:

We ordered a Lycoming IO-540 engine through Vans on April 28, 2023 and paid Vans a deposit of \$17,900 at the time of the order. At order placement, Vans represented this deposit was required for Lycoming to start building the engine. In Van's order confirmation email authored by Matthew Taylor Boone who identifies himself as Van's Engine and Propeller Coordinator, Matthew states "this order is a contractual agreement". (see attachment)

Vans later stated through public bankruptcy documents that our deposit funds were NOT used to start building our engine with Lycoming but rather to supplement their mismanagement of cash flow for kit operations. Not only is this an improper conversion of funds, but an intentional and fraudulent breach of contract. Our engine order and deposit were in no way related to kit building or any other facet of Van's airframe business.

For the reasons outlined in the summary above, we hereby register objections to the proposed Vans Bankruptcy as follows:

1. On Page 2 of the Debtor's Plan of Reorganization dated March 29, 2024, Van's declares that the Van Grunsvens will convert their unsecured debts of \$3 million and \$4 million dollars into \$7 million plus interest in EQUITY in the company. This is again addressed on page 22 listing Vans as a Class 8 creditor. The unsecured Class 5 creditors (us) are offered approximately 60% of their credit over three years. If unsecured creditors are not paid in full, they should be offered equity in the company and revert to a Class 8 creditor as is being proposed for the Van Grunsvens.

2. On page 15 of the Debtor's Plan of Reorganization dated March 29, 2024, it declares that customers' prior deposits were applied in full to all revised contracts. The revised contract was offered to us and represented to be the same Lycoming engine at a revised market price. No modification to the original order was allowed in the new contract. Additionally, Vans asked us to sign a new contract but could not tell us when we could get the engine or how much it would cost. As Van's had already declared bankruptcy while refusing to give us any estimate for new contract time and cost, and were asking for additional funds, we elected to get our deposit back. Because of Van's ambiguity and recently discovered lack of financial reliability, we were forced to purchase a new Lycoming engine from another source in order to mitigate the breach of contract executed by Van's.
3. On page 29 of the Debtor's Plan of Reorganization dated March 29, 2024, Mark Van Wky is assigned an unimpaired claim – Class 3. What is the dollar amount and what are the circumstances that qualify him for a Class 3 claim?
4. On page 29 of the Debtor's Plan of Reorganization dated March 29, 2024, Garmin, Pacific Metal and Lycoming have executed contracts so they are excluded from bankruptcy and appear to be paid in full. They are not listed in exhibits C or D. How are their claims stronger or legally more valid than our simple deposit claim?
5. On page 15 of the Debtor's Plan of Reorganization dated March 29, 2024, there were 539 3rd party component orders such as ours. Of those 539 claims, 514 signed extended contracts receiving full credit for their deposits. This leaves only 25 parties with equipment only deposits requesting refunds. Due to the intentional misrepresentation involved in obtaining these deposits and the deposits not having any connection with kit manufacturing, these 25 claims should be fully refunded.

We strenuously object to not receiving full credit for our deposit because we would not be held hostage to Van's demands to pay more money for an engine without an estimated increase in cost or delivery time. Van's further victimized us by rewarding new contracts with full credit and penalizing those of us who request their deposits be returned. Van's is dishonestly treating two holders of deposits exponentially differently. This is not right, legal nor fair.

We are sincerely hopeful that Vans can survive bankruptcy however, we do not feel the proposed treatment of customers with simple deposits for equipment from third parties is equitable. Our funds were utilized to subsidize the manufacture of kits which clearly shows Van's gross incompetence and a lack of responsible accounting. As a retired Certified Public Accountant (CPA), I can personally attest to the fact that Generally Accepted Accounting Principles concerning deposits were NOT followed and corporate supervision is not evident. Van's lack of oversight and misrepresentation is clearly bordering on criminal and civil fraud.

In summary, we respectfully request a modification to the Debtor's Plan of Reorganization dated March 29, 2024 that would allow us to be moved up to a Class 3 creditor, extend the period for repayment to 5 years (or maximum allowed by law) in order to allow 100% repayment of our initial deposit plus interest. We would prefer this payment be made via normal currency but we would also accept equity in the company as an alternative.

We very strongly feel that this request is reasonable given Van's gross misconduct.

Our documentation concerning our claim has been submitted to the BMC Group website as claim number 443 in the amount of \$17,900.

If you have any questions or need further information, my phone number is 208-420-3430 and my email address is [mason270@gmail.com](mailto:mason270@gmail.com).

Respectfully,



John "Mike" Mason



Joseph H. Mason

Attachment

Emailed to the listed entities below.

cc: Tonkon Torp LLP

Ava Schoen [ava.schoen@tonkon.com](mailto:ava.schoen@tonkon.com)

US Trustee

Stephen P. Arnot [steve.arnot@usdoj.gov](mailto:steve.arnot@usdoj.gov)

Clyde A. Hamstreet & Associates, LLC

Clyde A. Hamstreet [chamstreet@hamstreet.com](mailto:chamstreet@hamstreet.com)

mason270@gmail.com

**From:** Matthew Boone <matthew@vansaircraft.com>  
**Sent:** Monday, May 1, 2023 11:50 AM  
**To:** mason270@gmail.com; Thunderbolt  
**Subject:** NEW THUNDERBOLT ORDER 40092  
**Attachments:** Order acknowledgement\_00000000241487.pdf

Hello,

Thanks for your Lycoming Thunderbolt Engine order! Please carefully read and understand the following information regarding your order:

1. Any changes, questions, or inquiries regarding your order **must be made via email**, as this order is a contractual agreement, and all correspondence must be made in writing.
2. Lycoming are *extremely* behind on Thunderbolt engine production. This means that they will be focused on catching up on existing production before they start reaching out to new-order customers. **You might not hear from them for upwards of six months, maybe longer, but your engine is in line.**
3. The current lead time *estimate* for Thunderbolt orders is 18-24 months and is subject to change at any time to any order, without notice.
4. We are unable to post a total price on the order acknowledgement until we receive a custom part number for your engine, which will occur after Lycoming speak to you. **Base pricing will be according to your order date** but options and accessories you add with the Lycoming rep will change your final price. That is why you'll see a zero price for the engine on the current order acknowledgement.

Email me if you have any questions! Thanks again, and have a wonderful day,



MATTHEW TAYLOR BOONE  
Engine & Prop Coordinator  
Kit Sales, Van's Aircraft, Inc.  
[matthew@vansaircraft.com](mailto:matthew@vansaircraft.com)

(503) 678-6545 option 2  
[www.vansaircraft.com](http://www.vansaircraft.com)  
14401 Keil Road Northeast  
Aurora, Oregon 97002 USA



This email message is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message. If you are the intended recipient, please be advised that the content of this message is subject to access, review and disclosure by the sender's Email System Administrator.



**VAN'S AIRCRAFT**  
TOTAL PERFORMANCE

VANS AIRCRAFT, INC.

14401 N.E. KEIL RD.  
AURORA, OR 97002

**Order Acknowledgement**

241487

EXHIBIT 1



**Customer:** 40092  
MASON, JOSEPH / MASON, MIKE  
1215 GOLDEN PHEASANT RD

TWIN FALLS, ID 83301  
UNITED STATES

**Telephone:** 208 420 4341  
**Email:** mason270@gmail.com

**Shipping address:** MASON, JOSEPH / MASON, MIKE  
353 3RD AVE S

TWIN FALLS, ID 83301  
UNITED STATES

**Shipping Instructions:** DROP SHIP

Sales Order	Order Date	Order Terms	Balance	Salesperson	Purchase Order
241487	04/28/23	NET B4 DEL	-17,900.00	Matt	TB ENGINE

Stock code	Description	Bin	Order quantity	Unit price	Gross amount
1A TB-IO-540-D4A5	YIO-540-D4A5 Thunderbolt Engin		1	0.00	0.00

SUN AND FUN PROMO DISCOUNT

OPTIONS TBD WITH LYCOMING

----- Deposit Receipt -----

Deposit amount : 17900.00

Paid as : WEB CREDIT CARD PAYMENTS

**SALES ORDER NOTES**

**WEB ORDER NOTES**

Total gross:	0.00
Total discount:	0.00
Total tax:	0.00
Total freight:	0.00
Less all deposits:	17,900.00
Net amount due:	-17,900.00

CURRENCY USD